

~~CONFIDENTIAL~~

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Sep 9, 1954

Dear Allen:

In accordance with the Report of the Survey of USIA's Intelligence Needs and Assets the Department has examined whether, through the curtailment of other activities of its intelligence organization or elsewhere, the necessary funds could be provided for the recommended increased intelligence support to USIA, and agencies with related intelligence requirements. The Department has found that no such curtailment is possible.

The foregoing statement is submitted in order that CIA may proceed with the implementation of the Report, pending a reexamination of the method of financing the NIS Program.

Budget estimates in support of an expanded NIS program in the Department have been submitted to the CIA Comptroller at his request, in two parts: one relating to intelligence on international communism; the other concerning intelligence on selected segments of foreign societies, media research and analysis, foreign propaganda, impact of factors affecting public opinion and pertinent descriptive detail on foreign localities. The Comptroller suggested this segregation of estimates in view of your request that [REDACTED] and I discuss, in the near future, the location of responsibility for intelligence on international communism.

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Sincerely yours,

W. Park Armstrong, Jr.

The Honorable

Allen W. Dulles,

Director, Central Intelligence Agency,

2430 "E" Street, N. W.,

Washington 25, D. C.